

**House File 682 - Reprinted**

HOUSE FILE 682  
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 176)

(As Amended and Passed by the House March 10, 2021)

**A BILL FOR**

1 An Act relating to the Iowa appraisal standards and appraiser  
2 certification law and making penalties applicable.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 543D.1, Code 2021, is amended to read as  
2 follows:

3 **543D.1 Short title.**

4 This chapter shall be known and may be cited as the "*Iowa*  
5 *Voluntary Appraisal Standards and Appraiser Certification Law*".

6 Sec. 2. Section 543D.2, Code 2021, is amended by adding the  
7 following new subsections:

8 NEW SUBSECTION. 4A. "*Appraisal review*" means developing  
9 and communicating an opinion under the uniform standards of  
10 professional appraisal practice review standards regarding the  
11 quality of an appraiser's work product, with or without also  
12 providing an opinion of value, prepared as part of an appraisal  
13 assignment. "*Appraisal review*" does not include quality control  
14 solely to assure an appraisal report is complete, or to correct  
15 grammatical, typographical, or similar errors.

16 NEW SUBSECTION. 8A. "*Federally related transaction*" means  
17 any financial transaction related to real estate which a  
18 federal financial institutions regulatory agency engages in,  
19 contracts for, or regulates, and which requires the services  
20 of an appraiser pursuant to federally related transaction  
21 regulations.

22 NEW SUBSECTION. 8B. "*Federally related transaction*  
23 *regulations*" means regulations established by the comptroller  
24 of the currency, the board of governors of the federal reserve  
25 system, the federal deposit insurance corporation, or the  
26 national credit union administration pursuant to sections 1112,  
27 1113, and 1114 of Tit. XI of the federal Financial Institutions  
28 Reform, Recovery, and Enforcement Act, 12 U.S.C. §3341 - 3343.

29 Sec. 3. Section 543D.2, subsection 9, Code 2021, is amended  
30 to read as follows:

31 9. "*Review appraiser*" means a person who is responsible  
32 ~~for the administrative approval of the appraised value of~~  
33 ~~real property or assures that appraisal reports conform to~~  
34 ~~the requirements of law and policy, or that the value of real~~  
35 ~~property estimated by appraisers represents adequate security,~~

1 ~~fair market value, or other defined value~~ conducting an  
2 appraisal review.

3 Sec. 4. Section 543D.3, Code 2021, is amended to read as  
4 follows:

5 **543D.3 Purposes.**

6 1. The purpose of ~~this chapter~~ is to establish standards  
7 for real estate appraisals and a procedure for the mandatory  
8 certification of real estate appraisers performing appraisals  
9 for federally related transactions, the voluntary certification  
10 of real estate appraisers performing appraisals not related to  
11 federally related transactions, and the mandatory registration  
12 of associate real estate appraisers.

13 1A. A person who performs an appraisal, other than an  
14 appraisal review, for a federally related transaction as  
15 it relates to real estate located in this state must be  
16 a certified real estate appraiser under this chapter or a  
17 registered associate real estate appraiser acting under the  
18 direct supervision of a certified real estate appraiser if the  
19 services of a certified real estate appraiser are required by  
20 federal law or regulation.

21 2. A person who is not a certified real estate appraiser  
22 under ~~this chapter~~ may appraise real estate for compensation if  
23 certification is not required by ~~this chapter~~ or by federal or  
24 state law, rule, or policy. ~~However, an employee of the state~~  
25 ~~department of transportation whose duties include appraisals~~  
26 ~~of property pursuant to chapter 6B must be a certified real~~  
27 ~~estate appraiser under this chapter or a registered associate~~  
28 ~~real estate appraiser acting under the direct supervision~~  
29 ~~of a certified real estate appraiser.~~ Notwithstanding this  
30 subsection, in connection with the performance of an appraisal  
31 of real estate located in this state, the use of the title  
32 "certified real estate appraiser", "associate real estate  
33 appraiser", or any other like title, including a title that  
34 suggests an individual is certified under the laws of this or  
35 another state, shall only be used to refer to or by individuals

1 who hold a certificate or registration under this chapter.

2 3. An employee of the state department of transportation  
3 whose duties include appraisals of property pursuant to chapter  
4 6B must be a certified real estate appraiser under this chapter  
5 or a registered associate real estate appraiser acting under  
6 the direct supervision of a certified real estate appraiser.

7 4. A person who is not a certified real estate appraiser  
8 under this chapter but who is licensed under chapter 543B may  
9 in the course of business provide a valuation of real estate  
10 for compensation as a comparative market analysis or a broker  
11 price opinion.

12 Sec. 5. Section 543D.11, Code 2021, is amended to read as  
13 follows:

14 **543D.11 Certification by reciprocity.**

15 1. If, in the determination by the board, another state  
16 is deemed to have substantially equivalent certification  
17 requirements, an applicant who is certified under the laws of  
18 the other state may obtain a certificate as a certified real  
19 estate appraiser upon terms and conditions as determined by the  
20 board.

21 2. The board may recognize on a temporary basis the  
22 certification or license of an appraiser issued by another  
23 state, including where the property to be appraised is part  
24 of a federally related transaction. An appraiser engaging in  
25 such temporary practice shall apply for and obtain a temporary  
26 practice permit from the board before performing any services  
27 in relation to an appraisal, is subject to the full regulatory  
28 jurisdiction of the board, and is governed by the laws and  
29 rules administered by the board.

30 Sec. 6. Section 543D.15, subsection 1, Code 2021, is amended  
31 to read as follows:

32 1. a. The term "~~certified real estate appraiser~~" title  
33 "certified real estate appraiser", "associate real estate  
34 appraiser", or any other like title shall only be used to refer  
35 to individuals who hold the certificate or registration, as

1 applicable, and shall not be used in connection with or as part  
 2 of the name or signature of a firm, partnership, corporation,  
 3 or group, or in a manner that it may be interpreted as  
 4 referring to a firm, partnership, corporation, group, other  
 5 business entity, or anyone other than an individual holder of  
 6 the certificate or registration.

7 b. In connection with an appraisal assignment performed on  
 8 real estate located in this state, the title "certified real  
 9 estate appraiser", "associate real estate appraiser", or any  
 10 other like title, including a title that suggests an individual  
 11 is licensed or certified under the laws of this state or  
 12 another state, shall only be used to refer to individuals who  
 13 hold a certificate or registration under this chapter.

14 Sec. 7. Section 543D.20, subsection 5, Code 2021, is amended  
 15 to read as follows:

16 5. Persons who appraise real estate where certification is  
 17 not required by **this chapter** or by federal or state law, rule,  
 18 or policy, and who are not assisting a certified real estate  
 19 appraiser in the development or reporting of an appraisal  
 20 assignment that is required by **this chapter**, or by federal  
 21 or state law, rule, or policy to be performed by a certified  
 22 real estate appraiser, are not required to register with the  
 23 board. Notwithstanding this subsection, in connection with the  
 24 performance, or assistance in the performance, of an appraisal  
 25 of real estate located in this state, the use of the title  
 26 "associate real estate appraiser" or any other like title,  
 27 including a title that suggests an individual is an associate  
 28 real estate appraiser under the laws of this state or another  
 29 state, shall only be used to refer to individuals who hold a  
 30 registration under this chapter.

31 Sec. 8. Section 543D.21, subsection 4, Code 2021, is amended  
 32 by adding the following new paragraph:

33 NEW PARAGRAPH. 0a. A violation of section 543D.3,  
 34 subsections 1A, 2, or 3.

35 Sec. 9. Section 543D.21, subsection 4, paragraph c, Code

1 2021, is amended to read as follows:

2 *c.* A violation of [section 543D.20, subsection 1 or 5](#).